



Date: July 10, 2007

To: Mayor Chris Beutler
Lincoln City Council
Dave Landis

CC: Dallas McGee
Pat Ribeiro

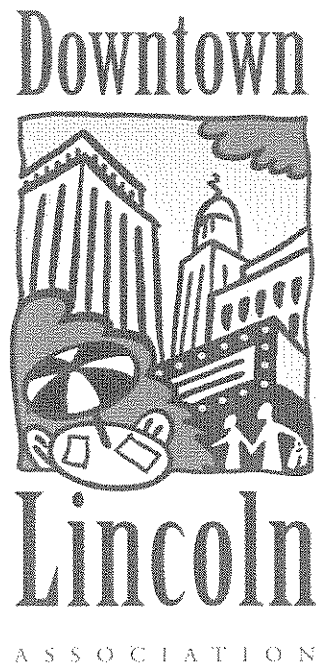
From: Drew Stange, DLA Chair
Polly McMullen, DLA President

Subject: 2007-08 Proposed B.I.D. Budgets and Program of Work

We are pleased to submit for your review and public hearing the proposed management and maintenance B.I.D. budgets and Program of Work for 2007-2008. These budgets were unanimously approved by our Board of Directors on May 22, 2007.

We are proud that downtown Lincoln is widely perceived as clean, safe and attractive by downtown workers, residents and visitors as a result of our maintenance program. DLA maintenance workers, with assistance from Community Alternatives of Nebraska, are caring for an increasingly sophisticated, active environment as a result of continuing economic development in the downtown and improvements to the downtown streetscape.

A major focus for DLA over the next year will be continued implementation of the Downtown Master Plan and strengthening downtown's retail environment. We look forward to working with you in the upcoming year and greatly value the strong partnership between DLA and the City of Lincoln.



**2007-08 Proposed
Maintenance and Management
BID Budgets
&
Program of Work**

**Downtown Lincoln Association
June 2007**

**LINCOLN CITY COUNCIL
BUDGET ASSUMPTIONS
for
PROPOSED 2007-08 MAINTENANCE BID**

1. 5% increase in property owner assessments based on November, 1997 ordinance which allows up to 5% annual budget increases. Will generate additional income of \$9,976.

2. Increased expenses include:
 - increase in workers compensation, auto liability, excess auto, umbrella and employee health insurance based on 2006-07 actual expenses,
 - a new category for equipment maintenance reserve, and
 - a slight increase in holiday light installation and repair.

1997 Maintenance BID ordinance allows up to 5% annual increase in assessment rates.

**Downtown Lincoln Association
Maintenance BID Budget
Sept. 1, 2007 - August 31, 2008
Presented to the Lincoln City Council**

Category	2006-07 Approved	2007-08 Proposed
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INCOME

Property Owner Assessment	199,529	209,505
City of Lincoln Maintenance Contribution	206,365	206,365
City of Lincoln Gen. Fund/Tree Replacement	46,500	46,500
City of Lincoln/Holiday Lighting		
GSA Contract	7,750	8,248
StarTran Bus Stop Service Agreement	2,456	2,579
Parking Garage Landscape Service Agreement	14,737	15,474
LHDC Farmers' Market Service Agreement	5,438	5,838
Interest Income	300	100
Total Maintenance BID Income	\$483,075	\$494,609

EXPENSES

Personnel Salaries/Benefits	345,812	358,807
Uniforms	750	750
Federal/PO/LHA Share Special Assessments	10,631	11,152
Holiday Installation, Repair & Maintenance	12,572	13,000
Insurance	9,400	16,000
Administrative Costs to DLA	20,000	20,000
Professional Fees	500	500
Professional Development	500	500
Landfill/Refuse	5,000	5,000
Rent	25,410	15,900
Utilities	9,000	9,000
Repairs/Supplies	15,000	15,500
Reserve for Equipment Replacement		0
Replacement Plantings	28,500	28,500
Total Maintenance BID Expense	\$483,075	\$494,609

NOTE:

Federal/PO/LHA properties equal 3,213.885 front feet x \$3.47 = 11,152.18 for FY 2007-08

Federal/PO/LHA properties equal 3,213.97 front feet x \$3.30 = 10,631.26 for FY 2006-07

07/10/07

**LINCOLN CITY COUNCIL
BUDGET ASSUMPTIONS
for
PROPOSED 2007-08 MANAGEMENT BIDs**

1. Proposed \$529,725 total budget reflects a 2.8% increase over the current fiscal year in accordance with 2006 management BID ordinances limiting annual increases to 5% or CPI, whichever is less.
2. Annual rent costs increase to \$28,660, based on second year of Sharp Building lease (year 1 included no rent for the first two months).
3. Increases in several Administrative and Support categories (postage, meeting expense, FF&E Purchase and Lease, insurance, professional services) based on current fiscal year expenditures.
4. Maintain funding in Downtown BID and Core BID for implementation of Retail Recruitment and Retention Strategy which is being prepared this year.

**DOWNTOWN LINCOLN ASSOCIATION
MANAGEMENT BID BUDGET
Sept. 1, 2007 - August 31, 2008
PRESENTED TO THE LINCOLN CITY COUNCIL**

CATEGORY	2006-07 Approved	2007-08 Proposed
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INCOME

Property Owner Assessment-Downtown BID	285,651	294,361
Property Owner Assessment-Core Overlay BID	159,349	164,524
Transfer from Maintenance	20,000	20,000
Nonprofit Contributions	50,840	50,840
Interest Income	0	0
TOTAL MANAGEMENT BID INCOME	\$ 515,840	\$ 529,725

EXPENSES

DOWNTOWN BID ACTIVITIES & IMPROVEMENTS		
ECONOMIC DEVELOPMENT		
Personnel		
President (25%)	29,527	27,009
Communications Manager/Deputy Director (35%)	14,208	17,951
Research Assistant (50%)	14,328	14,729
Intern/Runner (50%)	0	0
Total Personnel	\$ 58,063	\$ 59,689
Activities/Products		
Investor/Consumer Marketing	28,437	29,611
Benchmarking Program	1,000	1,000
LPED Annual Dues	2,500	2,500
Retail Retention & Recruitment Strategy	10,000	10,000
Total Activities/Products	41,937	43,111
TOTAL ECONOMIC DEVELOPMENT	\$ 100,000	\$ 102,800
COMMUNICATIONS & ADVOCACY		
Personnel		
President (20%)	23,621	21,607
Communications Manager/Deputy Director (35%)	14,208	17,282
Research Assistant (10%)	2,866	2,946
Office Manager (50%)	18,834	19,361
Total Personnel	\$ 59,529	\$ 61,196
Activities/Products		
BID Newsletter	12,000	12,000
Business Directory and Map	10,000	10,000
Annual Meeting/Annual Report	3,971	5,000
"Do It Downtown" Campaign/Website	2,000	1,754
Total Activities/Products	\$ 27,971	\$ 28,754
TOTAL COMMUNICATIONS & ADVOCACY	\$ 87,500	\$ 89,950

CATEGORY	2006-07 Approved	2007-08 Proposed
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PARKING & TRANSPORTATION INITIATIVES		
Personnel		
President (20%)	23,621	21,607
Communications Manager/Deputy Director (20%)	8,119	11,021
Research Assistant (30%)	8,596	8,837
Intern/Runner (50%)	0	0
Total Personnel	\$ 40,336	\$ 41,465
Activities/Products		
Special Parking and Transportation Projects	19,664	17,912
Total Activities/Products	\$ 19,664	\$ 17,912
TOTAL PARKING & TRANSPORTATION INITIATIVES	\$ 60,000	\$ 59,377
TOTAL DOWNTOWN BID ACTIVITIES & IMPROVEMENTS	\$247,500	\$252,127

CORE - ACTIVITIES & IMPROVEMENTS		
CORE AREA IMPROVEMENTS & PROMOTIONS		
Personnel		
President (25%)	29,526	27,009
Communications Manager/Deputy Director (10%)	4,060	7,517
Research Assistant (10%)	2,866	2,946
Office Manager (25%)	9,417	9,681
Total Personnel	\$ 45,869	\$ 47,153
Activities/Products		
Visitor Attractions/Promotions	10,000	10,000
Replace Holiday Display & Lights	16,114	16,000
Retail Retention & Recruitment Strategy	10,000	12,970
Replace Street Furniture	14,017	11,537
Events Management Corp.	15,000	15,000
Public Spaces Entertainment/Events	6,500	6,100
Total Activities/Products	\$ 71,631	\$ 71,607
TOTAL CORE AREA IMPROVEMENTS & PROMOTIONS	\$ 117,500	\$ 118,760

TOTAL BUDGET BEFORE MANAGEMENT & SUPPORT	\$365,000	\$370,887
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CATEGORY	2006-07 Approved	2007-08 Proposed
MANAGEMENT & SUPPORT		
Personnel:		
President (10%)	11,810	12,140
Director of Finance (100%) (64% paid by BID)	33,025	33,950
Office Manager (25%) (87% paid by BID)	9,417	9,681
Total Personnel	\$ 54,252	\$ 55,771
Fixed Costs:		
BID Interest/Admin. Costs	12,000	12,000
Rent	23,883	28,660
Corporate Insurance	7,000	9,240
Corporate Taxes/Licenses	1,500	1,500
Total Fixed Costs	\$ 44,383	\$ 51,400
Administration:		
Telephone & Utilities	7,135	6,000
Office Supplies	4,000	4,000
Postage	4,250	5,667
Copies	5,000	4,000
Dues/Subscriptions	2,100	2,100
Professional Development	10,000	9,000
Meeting Expense	2,500	2,600
Repairs & Maintenance	2,000	2,300
Furniture, Fixtures, & Equipment Lease	5,150	5,500
Furniture, Fixtures, & Equipment Purchase	2,335	2,500
Professional, Accounting, & Legal	7,735	8,000
Total Administration	\$ 52,205	\$ 51,667
TOTAL MANAGEMENT & SUPPORT	\$ 150,840	\$ 158,838

Over Budget

TOTAL BID BUDGET EXPENSES:		
DOWNTOWN, CORE AND MANAGEMENT	\$ 515,840	\$ 529,725

**DOWNTOWN LINCOLN ASSOCIATION PROPOSED ANNUAL PROGRAM OF WORK
SEPTEMBER 2007 – AUGUST 2008**

DOWNTOWN BID PROGRAM PRIORITIES WITH BUDGET REQUIREMENTS

ECONOMIC DEVELOPMENT

1. Continue investor marketing to developers, real estate brokers, prospective tenants and building owners.
2. Continue general consumer advertising to support and promote downtown.
3. Continue a "benchmarking" system to track progress in downtown development.
4. Pay annual membership dues to the Lincoln Partnership for Economic Development.
5. Implement Retail Retention and Recruitment Strategy to support Downtown Master Plan.

Total Economic Development (includes staffing) \$102,800

COMMUNICATIONS AND ADVOCACY

1. Publish "Downtown Beat" newsletter on bi-monthly basis.
2. Update, maintain and continue to enhance DLA web page.
3. Publish and disseminate Annual Report and Downtown Growth Report in conjunction with annual meeting.
4. Publish and distribute a Downtown Visitors Guide and a Dining, Shopping and Parking Guide.

Total Communications/Advocacy (includes staffing) \$89,950

PARKING AND TRANSPORTATION INITIATIVES

1. Continue efforts to implement recommendations from the 2004 Carl Walker Study with a goal of ensuring a cost-effective, customer-oriented and coordinated approach to downtown parking.
2. Increase awareness of downtown parking programs and options for part-time workers.
3. Provide a parking information database through DLA web page.
4. Conduct issue research and education on parking and transportation needs, trends and options.

Total Parking Budget (includes staffing) \$59,377

TOTAL DOWNTOWN BID \$252,127

CORE OVERLAY BID PROGRAM PRIORITIES/BUDGET REQUIREMENTS

1. Support efforts to bring additional visitors, meetings and conferences to downtown hotels and businesses.
2. Replace worn holiday lights and provide funding for installation of holiday displays.
3. Replace outdated benches and trash receptacles in conjunction with redevelopment and streetscape projects.
4. Provide support to downtown Events Management Corporation/Updowntowners.
5. Continue to organize and provide funding for downtown public space entertainment events, including Downtown Performance Series and Midweek Farmers' Market.
6. Implement Retail Retention and Recruitment Strategy to support Downtown Master Plan.

Total Core Overlay Budget (includes staffing) \$118,760

TOTAL PROGRAMS BEFORE MANAGEMENT AND SUPPORT \$370,887

2007-2008 PRIORITIES WITHOUT SEPARATE BUDGET REQUIREMENTS

1. Partner with City, Chamber, LPED, UNL and other stakeholders to implement priority projects in the Downtown Master Plan and Vision 2015 Pillars.
2. In conjunction with Downtown Master Plan, support The Catalyst 1 redevelopment project, including in the design and construction of next downtown parking garage, ensuring that development potential of the structure and on adjacent parcels is maximized.
3. Facilitate improved utilization of existing parking supply, especially privately owned lots and structures.
4. Continue outreach, communication and accountability to downtown business and property owners through periodic meetings, distribution of "benchmarking" data and questionnaires soliciting feedback on services, issues and concerns.
5. Support efforts to address barriers to development in downtown and in older commercial areas of the city.
6. Continue implementation of 1998 Downtown Tree Replacement Master Plan.
7. Continue to emphasize positive working relationships with all community organizations, including the Downtown Neighborhood Association, Realtors Association of Lincoln, city, county and state governments, the Lincoln Haymarket Development Corporation, University of Nebraska-Lincoln, Lincoln Independent Business Association, Lincoln Chamber of Commerce, Lincoln Partnership for Economic Development, Neighborhoods, Inc., University of Nebraska Technology Development Center, Vision 2015 and local media.
8. Continue active involvement in city-wide initiatives which significantly impact downtown Lincoln, especially efforts to replace the city's outdated municipal auditorium (Pershing Center) with an arena, hotel and conference facilities in West Haymarket.